

VZCZCXRO0642
OO RUEHCN RUEHDBU RUEHGH RUEHVC
DE RUEHBJ #1133/01 1180817
ZNY CCCCC ZZH
O 280817Z APR 09
FM AMEMBASSY BEIJING
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3687
INFO RUEHOO/CHINA POSTS COLLECTIVE IMMEDIATE
RUCNCIS/CIS COLLECTIVE IMMEDIATE
RHEFDIA/DIA WASHINGTON DC IMMEDIATE
RUEAFVS/OSD WASHDC IMMEDIATE
RHMFISS/DEPT OF ENERGY WASHINGTON DC IMMEDIATE
RUEKJCS/JOINT STAFF WASHINGTON DC IMMEDIATE
RUEKJCS/SECDEF WASHINGTON DC IMMEDIATE
RUEAIIA/CIA WASHINGTON DC IMMEDIATE
RHEHNSC/NSC WASHDC IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 03 BEIJING 001133

SIPDIS

E.O. 12958: DECL: 04/28/2029

TAGS: [PREL](#) [PGOV](#) [ENRG](#) [EWWT](#) [EPET](#) [MARR](#) [CH](#) [RS](#) [AF](#)

SUBJECT: CHINA/RUSSIA: STRANGE BEDFELLOWS OR STRATEGIC PARTNERS?

REF: A. BEIJING 895

[1](#)B. BEIJING 625

Classified By: Classified by Political Minister Counselor Aubrey Carlson.
Reasons 1.4 (b/d).

[1](#)1. SUMMARY: In spite of PRC public support for the Sino-Russian "strategic partnership," Chinese officials privately view Russia as "irrational, aggressive and untrustworthy," according to an opinion page editor at a leading state-owned newspaper. Our contact noted that many readers found a recent op-ed piece questioning the strength of China-Russia relations "too sensitive." The Russian military's February 15 sinking of the Chinese cargo ship "The New Star" did not significantly damage bilateral relations but did spark public outrage and further eroded Chinese public opinion of Russia, according to contacts. China's careful handling of the incident demonstrated Chinese officials' low-key approach to maintaining good relations with Russia. A Chinese scholar suggested China was not satisfied with the recent "loan-for-oil" deal with Russia, and that political considerations factored into China's decision to enter the agreement. The two countries share a common goal of limiting U.S. influence in Central Asia but compete economically in the region, particularly on energy issues, a PRC scholar noted. Our newspaper contact found little enthusiasm among his PRC official interlocutors for increased Chinese cooperation with U.S. efforts in Afghanistan. End Summary.

Opposing Op-Ed Pieces on China-Russia Relations

[1](#)2. (C) The Global Times, a state-owned newspaper published by the Chinese Communist Party (CCP) flagship People's Daily, recently published two op-ed pieces about China-Russia relations. An April 7 op-ed by Canada-based Shanghai scholar Lu Gang argued that improving U.S.-Russian relations "could widen the distance between China and Russia" and that the "strategic foundation of China-Russian relations is somewhat wobbly." Global Times International Forum Editor Wang Wen told PolOff April 23 that this op-ed had sparked a strong response from readers, some of whom found the author's perspective "too sensitive" for an official newspaper. The Global Times subsequently published an April 16 op-ed by "senior Beijing media figure" Zhao Jin, who argued that "improving U.S.-Russia relations is not necessarily harmful to China" and that the United States and Russia had still not resolved fundamental differences over NATO expansion and missile defense. Wang insisted that the second op-ed had not been the result of government pressure but was simply an attempt to provide opposing views on an important foreign

policy issue.

China and Russia are "Strange Bedfellows"

13. (C) Global Times editor Wang described China and Russia as "strange bedfellows," arguing that China's close official ties with Russia were not reflective of Chinese officials' true views of Russia. He said Chinese government officials and policy-makers had told him privately that they saw Russia as "irrational, aggressive and untrustworthy." Some officials even likened Russia to "a beast that must be kept calm." Wang argued that Chinese concerns about Russian aggression, as well as China's proximity to Russia, necessitated a careful, low-key approach to dealing with Russia. He cited China's handling of "The New Star" incident as an example of Chinese officials muting their criticism to avoid upsetting relations with Russia, commenting that China's relationship with Russia was the best embodiment of China's foreign policy dictum of "hiding one's capacities and biding one's time" (see ref A). Wang contrasted China's frequent criticism of the United States with its low-key approach to Russia, saying "China never makes demands on Russia like we do with the United States."

"New Star" Incident and Popular Opinion of Russia

14. (C) Chinese Academy of Social Sciences (CASS) Institute of Russian Studies scholar Jiang Yi told PolOff April 22 the

BEIJING 00001133 002 OF 003

Russian military's February 15 sinking of the Chinese cargo ship "The New Star" had sparked outrage among Chinese people but had little impact on bilateral relations. He argued that close official ties between Russia and China had allowed the two governments to quietly handle the incident without causing serious harm to the relationship. However, both Jiang and Global Times' Wang agreed that the incident had further damaged Chinese popular opinion of Russia. Wang said Chinese people saw the sinking of the ship that killed seven Chinese crew members as an example of Russia's aggressiveness. Jiang contrasted the close official ties with the relatively weak people-to-people relations, arguing that "The New Star" incident had reinforced the lack of trust between Chinese and Russians. He said few Chinese students had an interest in Russian culture or language, adding that this year's commemoration of the "Year of the Russian Language" in China would do little to promote the study of Russian given the limited job prospects for Russian-language speakers. Jiang said negative views of China were common in Russia, as many Russians saw China as a threat and criticized China's economic success as the result of the production and export of cheap, low-quality products. However, Jiang noted that Russian scholars had told him on his recent visit to Moscow that the global financial crisis had improved Russian perceptions of China, giving Russians a greater appreciation for China's economic success and the benefits of Russian-Chinese economic ties.

China "Not Satisfied" with Energy Deal with Russia

15. (C) CASS' Jiang said that China was not completely satisfied with its recent loan-for-oil agreement with Russia, by which China would provide Russia a preferential loan of \$25 billion in exchange for "a very uncertain promise" of approximately 15 million metric tons (the equivalent of 300,000 barrels/day) of oil by pipeline over the next 20 years. Jiang said China had agreed to the deal partly for political reasons, in spite of concerns about the long timeframe involved and the inevitable fluctuations in oil prices. He said a number of details needed to be worked out and expressed pessimism about the two countries finalizing the agreement by the end of 2009. Beijing-based Cambridge

Energy Research Associates analyst K.F. Yan (please protect) told EconOff in mid-April that key details about the deal, including pricing, remained undecided. Yan noted that the military's support for the deal had weighed heavily in the central government's decision to move forward with it.

"Big Changes" after 2012?

¶6. (C) Global Times' Wang predicted that China-Russia relations could experience "big changes" after 2012, as power passed from President Hu Jintao and Premier Wen Jiabao to a younger generation of leaders led by Vice President Xi Jinping and Executive Vice Premier Li Keqiang. Wang argued that Hu and Wen had come of age during the honeymoon period of China-Soviet relations in the 1950s and still felt affinity for Russia, whereas Xi and Li's generation had had relatively little exposure to Russian culture and had "few good feelings" about Russia. These younger leaders' personal attitudes about Russia could affect bilateral relations, particularly if tensions were to arise over energy or other issues, Wang said.

China and Russia in Central Asia: Competition or Cooperation?

¶7. (C) CASS scholar Jiang argued that China and Russia shared common goals of limiting U.S. influence in Central Asia, maintaining political stability in the region and avoiding "another color revolution like in Ukraine or Georgia." He said China was concerned about the possibility of a long-term U.S. military presence in Central Asia but insisted China "had nothing to do with" Kyrgyzstan's decision to close the Manas Air Base. According to Jiang, while China and Russia enjoyed political and security cooperation in Central Asia, the two countries competed economically in the region, particularly on energy issues. He said China was "very interested in multilateral economic cooperation" on cross-border infrastructure and transportation projects, while Russia was concerned that multilateral economic

BEIJING 00001133 003 OF 003

cooperation in Central Asia would primarily benefit China.

Chinese Concerns about Afghanistan

¶8. (C) CASS scholar Jiang said China cautiously welcomed U.S. efforts to stabilize Afghanistan but noted that some Chinese officials worried that the increase in U.S. forces in Afghanistan could backfire, causing extremists in Afghanistan to flee to Central Asia and western China. He said he personally advocated for greater Chinese cooperation with NATO-led forces in Afghanistan but found little support for this view among Chinese officials.
PICCUTA